

# HUDSON LOGISTICS CENTER

**H** HILLWOOD  
A PEROT COMPANY®

MAKING  
COMMUNITIES  
WORK BETTER

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PREPARED FOR:  
PLANNING BOARD  
AUGUST 2020

# AGENDA

- Updates
- Tenant information
- Home value study (local)
- Home value study (regional)
- Fiscal impact analysis

# UPDATES

WE HEAR YOUR CONCERNS

WE ARE CREATING SOLUTIONS

- Air quality
- Sound
- Sight lines
- Traffic
- Wetland protection
- Stormwater management
- Wildlife
- Property values
- Fiscal impacts



Amazon workers pay starts at a minimum of \$15/hr.

5% of the jobs are management and tech-related that earn higher salaries.

TENANT

# AMAZON AT HUDSON LOGISTICS CENTER

Regular full-time employee benefits:

- Health
- Amazon's 401(k) plan
- Company-paid basic Life and Accidental Death and Dismemberment Insurance
- Restricted Stock Units (RSUs)
- Maternity and Parental Leave
- Time Off
- Amazon.com Employee Discount
- Career Choice

The Amazon Career Choice Programme is an innovative programme offered to hourly employees that pre-pays 95% of the cost of tuition, textbooks, and related fees so employees can focus on their studies and not the expense.

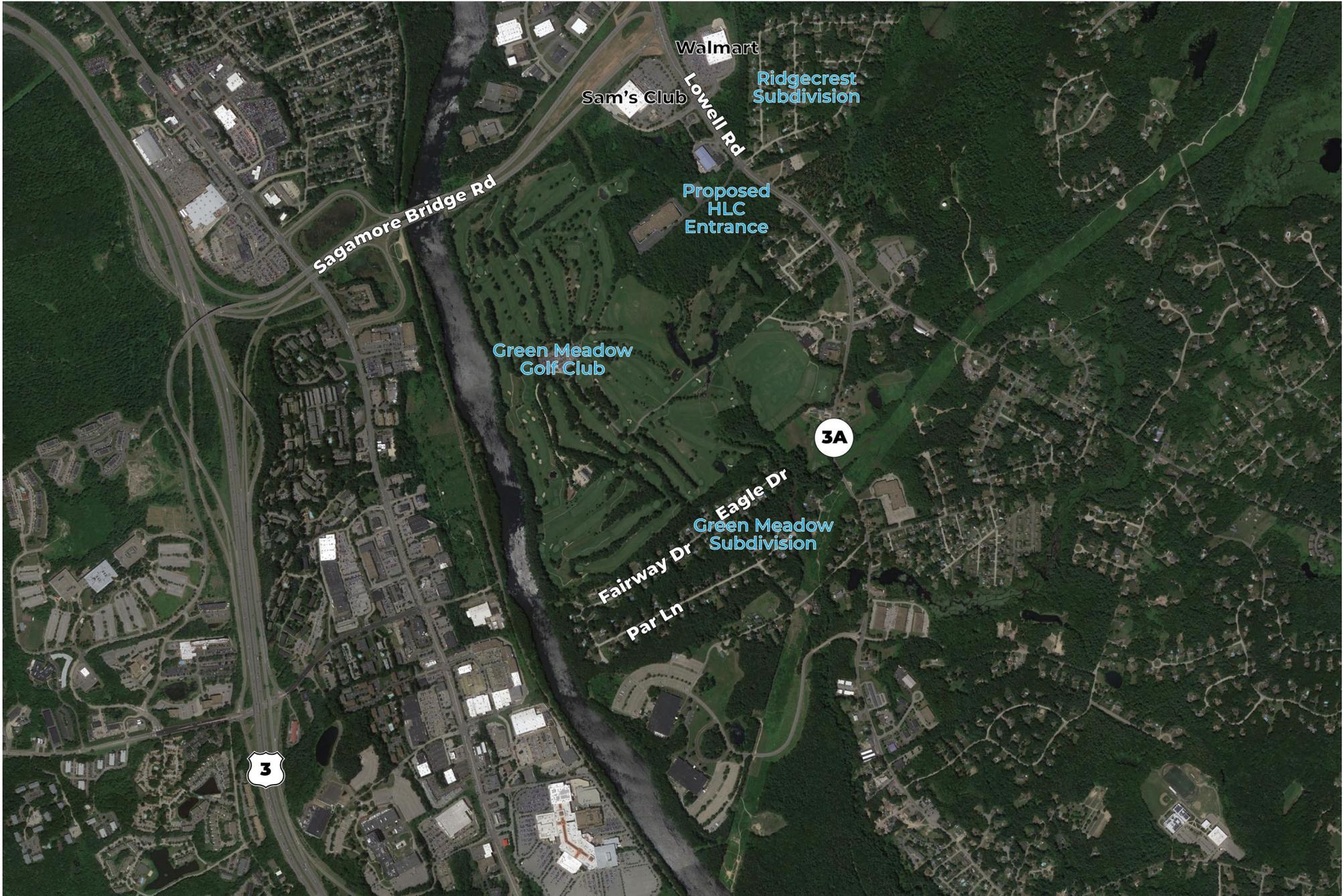


## HOME VALUE MARKET ANALYSIS

**Wesley G. Reeks, MAI**

Real Estate Appraisers and Consultants

- Site visit of Green Meadow Golf Course and the surrounding neighborhood areas
- Collection of market data related to market conditions and activity
- Review of site plans of the proposed logistics facility
- Research and inspection of the comparable data utilized herein
- Analysis of the comparable data as it relates to the proposed facility



# ORIENTATION

# HOME VALUE MARKET ANALYSIS

Year	Property	Price/SF
2010	7 Fairway *	\$112.86
	11 Par	\$128.79
2011	12 Eagle *	\$117.33
	16 Par	\$147.88
2012	6 Eagle *	\$143.34
	14 Muldoon	\$129.76
	3 Birdie	\$149.30
2013	13 Fairway *	\$118.78
	22 Par	\$152.43
2014	8 Eagle *	\$144.19
	5 Muldoon	\$151.01
	6 Birdie	\$159.52
2015	20 Fairway	\$160.02
2016	21 Fairway *	\$173.96
	9 Muldoon	\$146.41

Year	Property	Price/SF
2017	7 Eagle	\$175.00
	11 Muldoon	\$197.78
	9 Muldoon	\$170.81
2019	8 Muldoon	\$191.75
2020	20 Fairway **	\$197.08



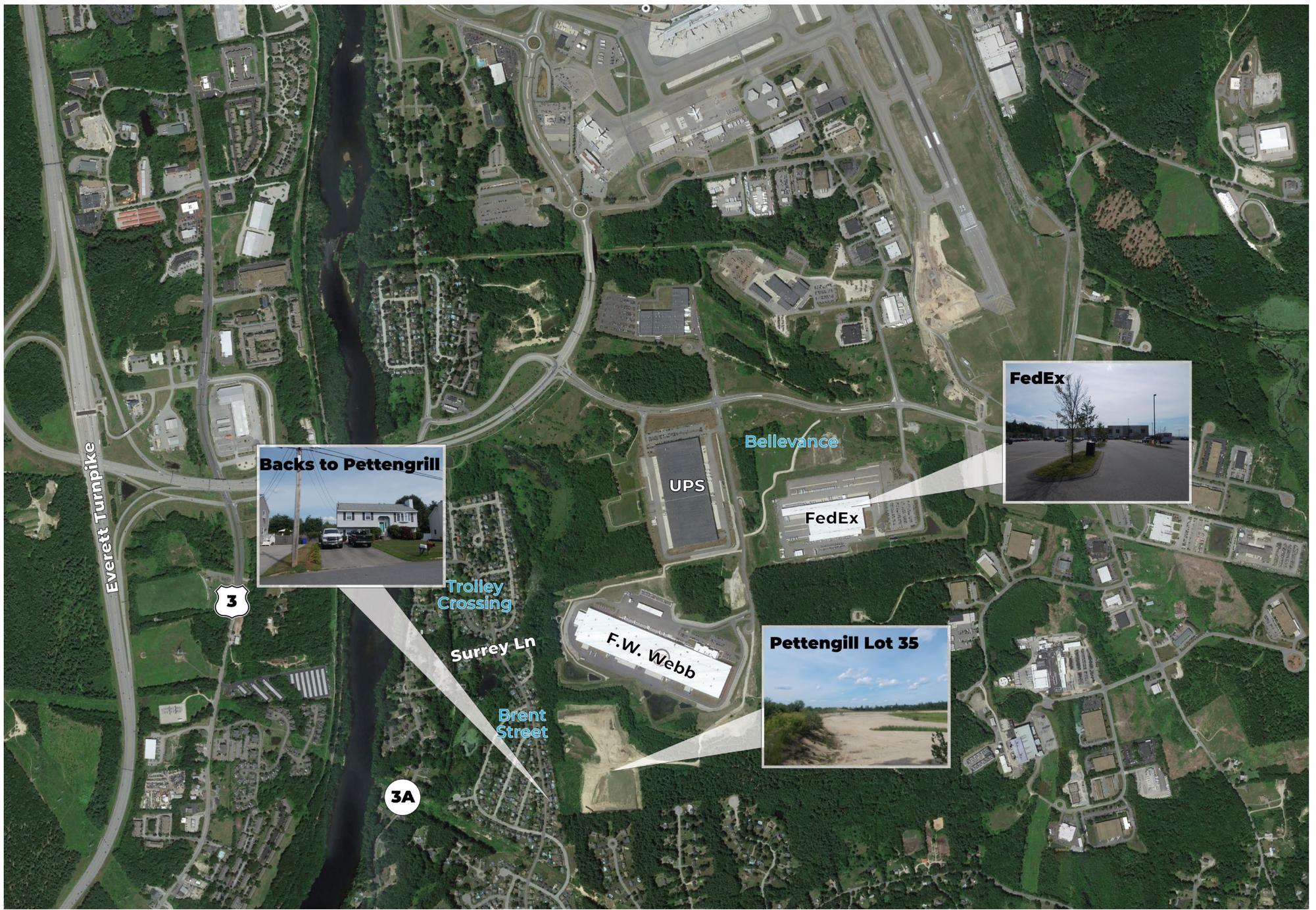
20 Fairway

# HOME VALUE MARKET ANALYSIS

Year	Property	Price/SF
2011	8 Ridgecrest	\$110.18
	11 Rita	\$125.61
2012	2 Ridgecrest	\$128.13
	13 Rita	\$145.65
2013	4 Rose	\$157.56
	9 Ridgecrest	\$158.87
	16 Ridgecrest	\$176.49
2014	1 Rose	\$133.11
	10 Rega	\$159.38
	17 Ridgecrest	\$174.21
	4 Ridgecrest	\$161.93
	8 Rega	\$130.41
2019	2 Ridgecrest	\$238.38
2020	18 Ridgecrest	\$264.14



18 Ridgecrest



**Backs to Pettengill**



**FedEx**



**Pettengill Lot 35**





# HOME VALUE MARKET ANALYSIS

## Trolley Crossing Properties Along Pettengill Boundary

Property	Sale Date	Re-Sale Date	Value Change	Annual Value Change
281 Charlotte	5/4/2009	2/28/2017	+22.2%	+2.8%
293 Charlotte	6/1/2015	2/11/2019	+13.5%	+3.6%
472 Brent	11/16/2010	4/17/2020	+29.4%	+3.1%
524 Brent	6/20/2012	7/17/2014	+14.2%	+6.9%
536 Brent	6/27/2014	6/8/2020	+35.7%	+6.0%
566 Brent	10/29/2009	6/15/2018	+38.9%	+4.5%
34 Surrey	12/15/2016	9/27/2018	+11.8%	+6.6%
<b>Averages</b>			<b>+23.7%</b>	<b>+4.8%</b>

# HOME VALUE MARKET ANALYSIS

Trolley Crossing Properties 2 to 3 Blocks West of Pettengill Boundary

Property	Sale Date	Re-Sale Date	Value Change	Annual Value Change
130 Trolley	7/20/2015	3/31/2017	+11.4%	+6.7%
150 Trolley	2/27/2012	7/29/2016	+42.4%	+9.6%
139 Brent	7/21/2016	3/31/2020	+20.0%	+5.4%
205 Brent	12/28/2012	4/6/2016	+13.9%	+4.2%
15 Gantry	7/15/2011	7/12/2019	+24.4%	+3.1%
74 Gantry	8/5/2009	7/2/2014	+28.5%	+5.8%
106 Gantry	5/27/2011	4/4/2018	+24.8%	+3.6%
<b>Averages 2 to 3 Blocks West</b>			<b>+23.6%</b>	<b>+5.5%</b>
<b>Averages Contiguous to Pettengill</b>			<b>+23.7%</b>	<b>+4.8%</b>

Property values contiguous to Pettengill and nearby all increased in value and at nearly the same rate



156

101

**Walmart  
Regional  
Distribution  
Center**



107



**101**

**Walmart  
Regional  
Distribution  
Center**



**Jadyn's Way**

**Walmart**



# HOME VALUE MARKET ANALYSIS

## Diamond Edge Jady's Way Sales

Date	Property	Price/SF
11/8/2018	4 Jady's Way, Raymond, NH	\$187.48
10/12/2018	6 Jady's Way, Raymond, NH (Unfinished 2 <sup>nd</sup> story)	\$160.18
9/13/2018	8 Jady's Way, Raymond, NH	\$200.47
1/25/2019	10 Jady's Way, Raymond, NH	\$181.00
<b>Average</b>		<b>\$182.28</b>

## Other Diamond Edge Sales

Date	Property	Price/SF
5/3/2019	19 Essex Drive, Raymond, NH	\$192.82
11/27/2019	48 Mildred Ave, Raymond, NH	\$192.88
11/11/2019	14 Bertha Way, Raymond, NH	\$189.85
<b>Average</b>		<b>\$191.85</b>

All built by the same builder  
All but one are the same floor plan  
All approximately the same size  
Similar value per square foot

## 2 RECENT SALES AT SUBDIVISION



**Current pending sale  
20 Fairway Drive**

- Listed on May 15, 2020
- Under agreement on May 20, 2020
- 3 offers
- Final contract over listing price
- Highest price per square foot paid in Green Meadow Subdivision



**Recent sale  
18 Ridgecrest**

- Listed on May 1, 2020
- Under agreement on May 4, 2020
- Closed July 15, 2020
- Final sale \$255,000 (just over listing)
- Price per square foot \$264.14
- Highest price per square foot in this development

# CONCLUSION

Section 275-6(A) of the Site Plan Review Regulations requires the Planning Board to find that a proposed development will not cause “significant diminution in value” of surrounding properties.

- Proximity to golf course did not impact home values
- Proximity to logistics development did not impact home values
- No evidence of **any** diminishment of home values



## Supporting Localized Analysis

Scoped macro with an independent study of logistical site developments in the region compared to residential home values

### Core Data Utilized

- Multiple Listing Service (MLS)
  - 1-mile and 2-mile radii and county
  - Repeat sales analysis (1-mile)

### Ancillary Evidence

- Zillow<sup>®</sup> Home Value Index (ZHVI) & Zestimate<sup>®</sup>
  - Zip code, county, neighboring and abutting properties



**99 International Dr. Windsor, CT**

**3 Distribution Center Circle, Littleton, MA**

**355 Maple Street, Bellingham, MA**

# REPEAT SALES ANALYSIS

## Comparable Sites

- Radius: 1-mile
- Time Period: 2011 to June 2020
- Average Change in Home Price: +26.4%
- Average Change in Sales Per Square Foot: +27.5%
- Average Hold Period: 3.9 years

## 68 Harvey Rd / 12 Innovation Way / 52 Pettengill Rd Manchester, NH 03103

- Radius: 1-mile
- Time Period: 2016 to June 2020
- Average Change in Home Price: +24.9%
- Average Change in Sales Per Square Foot: +30.1%
- Average Hold Period: 4.0 years

## Comparable Sites / After Completion

### ONE-MILE RADIUS

- Average Annual Rate: -0.04% to +5.09%

### TWO-MILE RADIUS

- Average Annual Rate: +3.71% to +5.95%

### COUNTY

- Average Annual Rate: +4.20% to +5.48%

Home values were not impacted by proximity to logistics development in the greater region

# SUPPORTING FACTS AND FIGURES

## Neighboring Properties / Zillow Zestimate©

- Average Annual Rate: +1.75% to +6.42%

## Zip Code / Zillow Home Value Index

- Average Annual Rate: +1.60% to +5.76%

## County / Zillow Home Value Index

- Average Annual Rate: +1.22% to +5.05%

Supporting sources also indicate home values were not impacted by proximity to logistics development in the greater region

# CONCLUSION

- Proximity to logistics development did not impact home values
- No evidence of **any** diminishment of home values



## FISCAL IMPACT



- What is a fiscal impact analysis?
  - The revenues and cost of services **directly associated** with a proposed development
  - Key question: can the proposed development pay for itself?
- An **estimate** based on **best available information**
- Is **one component** of analyzing the development's impact on Hudson



## FISCAL IMPACT

### What is a fiscal impact analysis?

- The revenues and cost of services **directly associated** with a proposed development
- An **estimate** based on **best available information**

**Key question: Can the proposed development pay for itself?**

## Approach

- **Interviews:** Hudson Police, Fire, Public Works, Town Administrator, Planner, Finance Director, Assessor (in some cases, twice)
- Reviewed and analyzed municipal budget by department, gathered departmental data
- Conducted site visit on weekend, weekday rush hour
- Sought public safety data, observations/experience, thoughts about logistics center pros and cons from Londonderry and Raymond even though sites have comparability limitations
- With no similar project operating in Hudson, we employed an “average cost” fiscal impact model known as proportional valuation to estimate new cost of services in Hudson

## Considerations

- Fiscal impact analysis can help to forecast new demands on municipal operations and convert those demands to a cost-of-services estimate.
- It does not guarantee that town will commit new revenues to meet those demands. Budgeting is a local decision.
- We acknowledge and appreciate the Town and peer review comments we received, and we have taken them under advisement.



## FISCAL IMPACT ANALYSIS

### Potential Economic Development Benefits: Hudson/Nashua Area

- Direct Jobs Estimate: 1,400
- Direct Wages: \$81,536,000
- Indirect Jobs Estimate: 420
- Induced Jobs Estimate: 574
- Construction Jobs Estimate: 833

# FISCAL IMPACT ANALYSIS

## Taxes to Community

Estimate of Assessed Value	\$221,824,400
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<b>Estimated Property Taxes</b>	<b>\$4,243,500</b>
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## Community Expenses

Public Safety (Police, Fire, Inspectional Services)	\$168,600
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Public Works	\$24,100
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General Government	\$48,100
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<i>Estimated Community Service Costs</i>	<i>\$240,800</i>
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<b>Net Revenue to Community</b>	<b>\$4,002,700</b>
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Net Revenue Break-down: \$2.8 Million to Schools \$1.2 Million to Municipal Service

Can the proposed development pay for itself?

Cost-Revenue Ratio: 0.056

**THANK YOU**

MAKING  
COMMUNITIES  
WORK BETTER